

**State of Texas
County of Bexar
City of San Antonio**



**DRAFT
Meeting Minutes
City Council A Session**

City Hall Complex
105 Main Plaza
San Antonio, Texas 78205

Thursday, February 23, 2017

9:00 AM

Municipal Plaza Building

The City Council of San Antonio convened in a Regular Council Meeting. City Clerk Leticia Vacek took the Roll Call and noted the following Councilmembers present:

PRESENT: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

Mrs. Vacek announced that Councilmember Lopez was attending a Trade Mission in Puebla, Mexico and that Councilmember Medina was on his way.

1. The Invocation was delivered by Waheeda Kara, President, National Inter Organizational Collaborative, guest of Mayor Ivy R. Taylor.
2. Mayor Taylor led the Pledge of Allegiance to the Flag of the United States of America.
3. Approval of Minutes for the Regular City Council meetings of January 11 - 12, 2017.

Councilmember Gallagher moved to approve the Minutes for the Regular City Council meetings of January 11-12, 2017. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Nirenberg, Krier and Gallagher

ABSENT: 2 - Lopez and Medina

POINTS OF PERSONAL PRIVILEGE

In honor of Black History Month, Councilmember Warrick recognized Local Legends of the Tuskegee Airmen. He noted that the Tuskegee Airmen were the first Black Servicemen to serve as Military Aviators in the US Armed Forces, flying with distinction during World War II. He stated that the 996 Pilots and more than 15,000 Ground Personnel who served with the All-Black Units would earn over 150 Distinguished Flying Crosses for their Achievements. He added that the highly publicized successes of the Tuskegee Airmen helped pave the way for the eventual integration of the US Armed Forces. He recognized James Bynum and Theodore Johnson, as well as Chapter President, Rick Sinkfield, Mrs. Dorothy Bynum, wife of James Bynum, Dr. Carolin Sinkfield, Chapter Corresponding Secretary, and Youth Scholarship Chair and Chapter Member, Mr. Grady Robinson. He thanked them for preserving the Tuskegee Legacy. Councilmembers Nirenberg and Treviño thanked the Tuskegee Airmen for their service.

Councilmember Nirenberg congratulated Gabby Gaskins-Nunez, Camden Cowgill, and Kaden Cowgill for winning their Age Divisions in the Texas State Elks Hoop Shoot held on Saturday, February 18, 2017.

CONSENT AGENDA ITEMS

Items 7, 8, 10, 13, 26, 28A, and 28B were pulled for Individual Consideration. Councilmember Gallagher moved to approve the remaining Consent Agenda Items. Councilmember Treviño seconded the motion.

Mayor Taylor called upon the citizens registered to speak.

Stanley Mitchell, George Alejos, and Nikki Kuhns addressed the City Council in opposition to the issuance of Electric and Gas Systems Revenue Bonds (Item 21). Mr. Mitchell expressed concern with the high cost of the 2017-2022 Bond Program and spoke of the importance of spending taxpayer dollars wisely. He noted that critical financial details were omitted from the Streetcar Project and was concerned with the increase in CPS Bills.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote:

AYE: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

2017-02-23-0095

4. An Ordinance accepting the offer from Holt Texas, LTD for the purchase of one new Caterpillar C9 generator set and three new Caterpillar D100 generator sets, including automatic transfer switches, accessories, factory warranty, installation and testing at San Antonio International Airport Terminals A and B for a total cost of \$217,794.00, funded from the FY2017 Aviation Operation and Maintenance Fund. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2017-02-23-0096

5. An Ordinance accepting the offer from Dailey & Wells Communications, Inc., through the Houston-Galveston Area Council of Governments cooperative contract, to provide the San Antonio Police, Parks and Recreation, and Aviation Departments with portable and mobile radios and command base stations through the Information Technology Services Department for a total cost of \$2,529,617.38, of which \$2,467,398.18 is funded from the FY 2017 to FY 2022 Capital Budget, and \$62,219.20 is funded from FY 2017 Airport Operating and Maintenance Fund. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2017-02-23-0097

6. An Ordinance authorizing a change order to the existing annual contract with TCL Construction Enterprises, Inc. for the Labor and Materials contract for concrete work in San Antonio parks by \$250,000.00 for a total contract value not to exceed \$2,977,480.00 as needed and in accordance with the annual adopted budget approved by City Council. [Maria Villagomez, Assistant City Manager; Xavier Urrutia, Director, Parks & Recreation]
9. Consideration of the following three items related to Hemisfair Civic Park: [Peter Zanoni, Deputy City Manager; Mike Frisbie, Transportation and Capital Improvements]

2017-02-23-0100

- 9A.** An Ordinance authorizing the execution of a Donation Agreement with the Hemisfair Park Area Redevelopment Corporation and the acceptance of funds totaling \$140,000.00, funded by the Hemisfair Conservancy, for improvements to Hemisfair's historic homes, located in Council District 1.

2017-02-23-0101

- 9B.** An Ordinance for Hemisfair Park: Civic Park Project, a Certificates of Obligation funded project, authorizing an amendment to the Professional Services Agreement with Gustafson Guthrie Nichol, LTD, in the amount up to \$3,400,000.00 and amending the total contract amount not to exceed \$6,318,237.00 for the final design phase of the Civic Park.

2017-02-23-0102

- 9C.** An Ordinance for Hemisfair Park: Civic Park Utility Infrastructure Project, a Certificates of Obligation funded project, authorizing an amendment to the Agreement to Use Funds with Hemisfair Park Area Redevelopment Corporation, payable to HPARC in the amount up to \$160,000.00 for HPARC staff's project assistance with planning, developing, constructing, and managing the project, located in Council District 1.

2017-02-23-0104

- 11.** An Ordinance amending Ordinance #2015-04-09-0284 to correct street closure field notes for an unimproved 15 foot wide alley perpendicular to Higgins Road between Durham Drive and Stahl Road in Council District 10 as requested by I.P.L Y Reduccion de Peso, Inc., a Texas Corporation. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Transportation & Capital Improvements]

2017-02-23-0105

- 12.** An Ordinance authorizing the execution of a five-year lease renewal agreement with Klabzuba Properties III, Ltd, for use of a 22,279 square foot portion of a building located at 106 South Saint Mary's Street for office space for the Department of Human Services with an annual rent of \$423,300.00 in the first year of the term and increasing annually thereafter to \$467,856.00 in the fifth and final year of the renewal term. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

2017-02-23-0107

- 14.** An Ordinance approving the Market Square lease assignment of Forever Yours to Joyce Duran dba Besitos & Joy [Lori Houston, Assistant City Manager; John Jacks,

Interim Director, Center City Development and Operations Department]

2017-02-23-0108

15. An Ordinance authorizing a permit for the installation of a sign over and within Roy Smith Street Public Right of Way between Avenue A and the San Antonio River, in Council District 1, for a fee of \$500.00. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]
16. Consideration of the following two items authorizing a Water Line Easement Agreement on City-owned property between the City of San Antonio and Central Texas Regional Water Supply Corporation for public project purposes related to San Antonio Water System's Vista Ridge Project, located in Council District 10. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Transportation & Capital Improvements]

2017-02-23-0109

- 16A. An Ordinance authorizing an easement consisting of two variable width permanent water easements containing a total of 0.760 acre located on the north side of Bulverde Parkway, between Bulverde Road and Liatris Lane for a fee of \$5,000.00.

2017-02-23-0110

- 16B. An Ordinance authorizing an easement of 1.509 acre, 85-foot wide permanent waterline easement on property located approximately one-half mile east of Bulverde Road, between Menger and Regal Rose in Council District 10 for a fee of \$39,400.00.
17. Consideration of the following Board, Commission and Committee appointments for the remainder of unexpired terms of office to expire May 31, 2017, to be effective immediately upon the receipt of eight affirmative votes, or, in the event eight affirmative votes are not received, ten days after appointment; or for terms and effectiveness as otherwise indicated below: [Leticia M. Vacek, City Clerk]
- A) Reappointing Greg K. Hammer (District 7) to the Linear Creekway Parks Advisory Board.
- B) Reappointing Rene P. Barilleaux (Mayoral) and Guillermo C. Nicolas (Mayoral) to the San Antonio Arts Commission.
- C) Reappointing Victoria M. Garcia (District 4) to the Port Authority of San

Antonio.

D) Reappointing Michael C. Connor (District 4) to the Historic and Design Review Commission.

E) Appointing Wade B. Shelton (District 9) to the Ethics Review Board for the remainder of an unexpired term of office to expire April 25, 2017.

F) Reappointing Andrea Sanchez (District 4) and Paul J. Stahl (District 7) to the San Antonio Public Library Board of Trustees for the remainder of an unexpired terms of office to expire September 30, 2018.

2017-02-23-0111

18. An Ordinance approving the Workforce Solutions Alamo Local Plan for 2017-2020. [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]

2017-02-23-0112

19. An Ordinance authorizing the approval of consent for a Certificate of Convenience and Necessity from the Public Utility Commission of Texas from the South Central Water Company for service to Cibolo Valley Ranch. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

2017-02-23-0113

20. An Ordinance authorizing an agreement between with San Antonio Water System for the operation and maintenance of a groundwater well at the Vehicle Impound Facility on Growdon Road for a period of five years. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

2017-02-23-0114

21. An Ordinance authorizing the issuance of one or more series of not to exceed \$580,100,000 "City of San Antonio, Texas Electric and Gas Systems Revenue Bonds"; providing the terms, conditions, and specifications for such Bonds, including the approval and distribution of one or more official statements pertaining thereto; making provisions for the payment and security thereof on a parity with certain currently outstanding obligations; stipulating the terms and conditions for the issuance of additional revenue bonds on a parity therewith; authorizing the execution of one or more paying agent/registrar agreements, escrow agreements, and bond purchase agreements; complying with the requirements of the Depository Trust Company; delegating the authority to certain members of the City Public Service Board Staff to execute certain documents relating to the sale of the Bonds; enacting

other provisions incident and related to the subject and purpose of this Ordinance; and providing an effective date. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

2017-02-23-0115

22. An Ordinance authorizing Interlocal Agreements with the Bexar County Emergency District #5 and #6 to provide fire protection services to parcels in the newly annexed areas in the jurisdiction of ESD #5 and #6. [Erik Walsh, Deputy City Manager; Charles Hood, Fire Chief]

2017-02-23-0116

23. An Ordinance approving a Regional Mutual Aid Agreement with the Alamo Area Fire Chiefs Association for coordination of emergency fire response services during a disaster. [Erik Walsh, Deputy City Manager; Charles Hood, Fire Chief]

2017-02-23-0117

24. An Ordinance authorizing a professional services contract with Southwest Research Institute, in an amount up to \$96,060.00, to conduct standards-based testing and reporting on public safety radio units and accessories. [Ben Gorzell, Chief Financial Officer; Kevin Goodwin, Interim Director, Information Technology Services]

2017-02-23-0118

25. An ordinance authorizing the reallocation of \$150,012.00 in U.S. Department of Housing and Urban Development Housing Opportunities for Persons with AIDS (HOPWA) grant funding to The San Antonio AIDS Foundation, Alamo Area Resource Center and BEAT AIDS Coalition Trust, Inc. for HOPWA eligible programs; and authorizing the execution of contract amendments. [María Villagómez, Assistant City Manager; Melody Woosley, Director, Human Services]

2017-02-23-0120

27. An Ordinance amending the City of San Antonio Major Thoroughfare Plan, a component of the City of San Antonio SA Tomorrow Master Plan by: (1) Realigning a proposed segment of Mechler Road between existing Mechler Road and proposed Galm Road; (2) Realigning a proposed segment of the North/South Connector also known as Stevens Parkway between Potranco Road and Galm Road; (3) Realigning a proposed segment of Marbach Road also known as West Groesenbacher between Highway 211 and proposed Mechler Road; (4) Designating a segment of Potranco Road also known as FM 1957 between Hollimon Parkway and Mechler Road also known as County Road 381; and (5) Realigning a proposed segment of Galm Road running east 1.4 miles from the proposed Mechler Road generally located in west Bexar County and east Medina County. [Peter Zanoni, Deputy City Manager; Mike

Frisbie, Director, Transportation & Capital Improvements]

CONSENT ITEMS CONCLUDED

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

City Clerk Vacek read the caption for Item 7:

2017-02-23-0098

7. An Ordinance authorizing the following contracts establishing unit prices for goods and services for an estimated annual cost of \$1,753,000.00: (A) S&S Worldwide, Inc. for arts and crafts supplies, (B) Grande Truck Center for differential component and rebuilt exchange units parts and service, (C) Arrow International, Inc. for EZ-IO Intraosseous Vascular Access System, and (D) Zoll Medical Corporation for X Series 12 Lead Defibrillators & Accessories. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

Fire Chief Charles Hood stated that the Fire Department currently uses Zoll X Series Defibrillators and found Zoll to be the best based on their testing and selection process (Item D). He noted that Zoll provided one-on-one training to Paramedics and conducted a Train the Trainer Program. He indicated that it was critical for them to have the same type of equipment on Fire Trucks and Ambulances. Troy Elliott added that they were requesting to supplement the existing Defibrillator Inventory, extend Warranty and Preventive Maintenance, and purchase accessories and consumable supplies through a 2-year contract term totaling \$1.3 Million annually. He mentioned that Zoll was exempted from competitive bidding due to brand specificity. He outlined the SBEDA Tools that include 11% Minority/Women Owned Business Enterprise Subcontracting and the Minority Distribution Development Program. He reported that two offers were received: 1) Zoll (Manufacturer) and 2) MedWheels (Local Distributor). He noted that Zoll Distribution Contracts prohibit the sale of Defibrillators and Accessories through Distributors to Fire and Emergency Medical Services (EMS) Markets. He added that the Zoll exception to subcontracting requirements was approved and that their pricing was \$875,546 less than MedWheels pricing over the two-year term.

Mayor Taylor called upon the citizens registered to speak.

Tonya Carpenter, Project Coordinator for SAGE, addressed the City Council in opposition to the selection of Zoll Defibrillators and Accessories. She stated that allowing Zoll to receive a waiver for the subcontracting requirements would have a significant impact on Local and Minority Companies by limiting their opportunities to supply goods and services

for City Initiatives.

Julisa Carielo stated that she was a Small Business Owner and former Small Business Advocacy Committee (SBAC) Member. She noted that in 2016, the SBAC had recommended adding Subcontracting Goals to Goods and Supplies Contracts due to the low utilization of Small Businesses for same. She expressed concern that Zoll did not allow Distributors to sell their products to the City of San Antonio.

Chris Herring stated that he had served on the SBAC since 2011 and expressed concern with the lack of utilization of Small Businesses for Goods and Services. He asked that they work to ensure that Aspirational Goals are achieved.

Grace Gonzales stated that she had previously served on the SBAC and worked diligently to ensure Small Business Utilization within Goods and Services Contracts. She expressed concern with the waiver provided to Zoll and noted the need to enforce the SBEDA Ordinance.

Jane Gonzales, Owner of MedWheels, stated that she had been threatened by Zoll that they would no longer allow her to be a Distributor of their products if she spoke against them. She noted that any liability on products would rest with the manufacturer and asked that the City Council continue the item in order to create solutions that include Small Business Participation.

Gabriel Rosales stated that he represented the Southwest Region of the National League of United Latin American Citizens (LULAC) and was opposed to the contract with Zoll. He expressed concern with the lack of Small Business Participation within Goods and Services Contracts and noted that there were parts of the contract that could be fulfilled by Small Businesses.

Keith Toney stated that Zoll was based out of Tokyo, Japan and expressed concern with the lack of Small, Minority-Owned Businesses on Goods and Services Contracts. He noted that MedWheels was a reputable company in District 2 and asked the City Council to reconsider the award to Zoll.

TC Calvert stated that he was representing the Fair Contracting Coalition and spoke of their work on the SBEDA Ordinance. He expressed concern with the awarding of the contract to a company based out of Japan and noted that MedWheels was a Local Company located in District 2.

Mayor Taylor requested an update from staff on the Diversity Action Plan that was adopted in 2012.

Councilmember Warrick thanked everyone that spoke and asked if other Manufacturers allowed Local Distributors to sell to Municipalities and First Responders. Mr. Elliott responded that Phillips allowed the use of Distributors for High End Defibrillators but they had a smaller product line. Councilmember Warrick stated that he did not have an issue with Zoll but was concerned with the bullying that occurred to a Local Distributor. He asked of the utilization of African-American Owned Businesses in 2016. Rene Dominguez replied that it was 0%. He added that Hispanic-Owned Businesses were utilized on 2% of contracts while Women-Owned Businesses had 1% utilization. Mr. Elliott added that Zoll Distributors sign an agreement that they will not compete in this market and based on those signatures; there were no subcontracting opportunities. Councilmember Warrick stated that he hoped that Zoll Manufacturing could come to a different agreement that allowed for subcontracting on this and other future contracts with the City of San Antonio.

Councilmember Warrick moved to approve Items A, B, and C, and send the Zoll Contract (Item D) to the Audit Council Committee. Councilmember Gonzales seconded the motion.

Councilmember Gonzales asked of the importance and timeline of the item. Chief Hood explained that the Defibrillator was the most important piece of equipment that they carried on a Fire Truck and Ambulance and this particular one had been proven to be State of the Art. He added that the \$1.3 Million Annual Contract included five Defibrillators at a cost of \$30,000 each, as well as maintenance and consumable supplies.

Mike Trotter, Vice-President of the North American EMS Business Unit for Zoll Medical Corp. addressed the Council and stated that they were based out of Massachusetts. He noted that they had provided the City of San Antonio with X Series Defibrillators since 2012. He stated that Zoll manufactured a Public Access Defibrillator known as an AED which was distributed by MedWheels. He noted that they were only restricted to selling to Fire and EMS Markets. He mentioned that the X Series was Professional Grade with many clinical parameters and spoke of the great amount of training and certification that was required of the devices. Councilmember Gonzales asked Ms. Jane Gonzales if they could handle the contract. Ms. Jane Gonzales stated that she had the utmost confidence that they could handle the contract and noted that they had saved two lives last year with a 2-Lead AED. She added that commodities and supplies could be subcontracted. Councilmember Gonzales asked of the consequence of taking said item back to the Audit Committee. Chief Hood clarified the difference between the 2-Lead and 12-Lead AEDs and noted that they only had less than a 90-day supply of the supplies.

Councilmember Medina asked if the 90-day supplies could be provided locally. Chief Hood replied that he was unsure because they had to be under contract and could not speculate on how long the supply will last. Mr. Elliott added that the contract term was for two years as Zoll did not take advantage of an incentive to use a Distributor.

Councilmember Viagran expressed concern that Zoll did not want to use a Distributor and asked of the exemption for Subcontracting Requirements. Mr. Elliott stated that they met with the Economic Development Department and looked at the ability to use a Subcontractor. He noted that their exemption was based on their prohibition to use a Distributor. Councilmember Viagran asked when the last SBEDA Revisions were approved by the City Council. Mr. Elliott responded that they were approved last year and became effective July 1, 2016. He noted that said contract had not gone through a Request for Proposals (RFP) Process as it was a Sole Source Option and was not presented to the High Profile Subcommittee due to it being a contract for Goods and Supplies. Councilmember Viagran stated that there was a disconnect with communication and prioritization.

Councilmember Krier stated that failure to plan ahead was no reason to make this an emergency. He noted the many individuals from the Small Business Community that came forward to speak on the issue and that more time should be spent to discuss same.

Councilmember Warrick stated that staff could amend the contract to further continue to supply what is needed. Mr. Elliott stated that they could amend the contract and bring it back to the City Council for consideration. Councilmember Warrick noted that this was about building local capacity and helping Local Vendors get a piece of the pie.

Councilmember Saldaña asked what was at stake. Chief Hood stated that it was important to ensure that the Fire Department has the supplies they need and look at the needs of the community. He added that he was concerned with the cost of another vendor and with ensuring they have the right equipment to maintain Food & Drug Administration (FDA) Compliance. Councilmember Saldaña asked Ms. Jane Gonzales if she had the necessary staff to be trained. Ms. Jane Gonzales responded that the AEDs that they sell are their only product line and felt they had the ability to train their staff. Mr. Chris Herring addressed the Council and stated that the Five-Year Contract and Diversity Plan was in place and that this issue should not have come up as an emergency. Councilmember Saldaña asked of the training provided by Zoll. Mr. Trotter stated that they bring in people from other places to conduct the training as the device is highly regulated by the FDA. He noted that they were supportive of Local Businesses but have a risk mitigation strategy and philosophy of Direct Distribution.

Mayor Taylor stated that she would support the motion to send the contract to the Audit

Council Committee and that a procurement solution could be identified to ensure adequate supplies. She thanked everyone that spoke on said item and for encouraging the City Council to do the best they can to help Small Businesses in San Antonio.

The motion to approve Items A, B, and C and send Item D to the Audit Council Committee prevailed by the following vote:

AYE: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

City Clerk Vacek read the caption for Item 8:

2017-02-23-0099

8. An Ordinance authorizing a task order to a Job Order Contract to renovate 6,000 square feet at the Central Library to allow space for the Latino Collection payable to Alpha Building Corporation in the amount of \$270,739.17 and authorizing the acceptance and appropriation of \$270,739.17 in donation funding of which \$236,853.16 is from the San Antonio Public Library Foundation, \$17,500.00 is from the A Cisneros DelMoral Foundation, and \$16,386.01 is from the Friends of the Library to the Latino Collection Project; and amending the FY 2017-2022 Capital Improvement Program budget. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

Councilmember Treviño stated that he wanted to highlight the project. Razi Hosseini presented a Power Point and stated that the project entailed relocating the Latino Collection containing over 10,000 Items from the 6th Floor to the 1st Floor. He provided an overview of the Project Scope which included: 1) Literary Workshop; 2) Writer's Workshop; 3) Conference Room; 4) Lecture/Programming Space; 5) Research Center/Gallery; 6) Engage Partnerships with Schools, Colleges, and Non-Profits; and 7) Aesthetic Entry. He presented renderings and stated that the project was scheduled for completion in July 2017. Councilmember Treviño thanked everyone for their hard work and stated that he was pleased that they would be respecting San Antonio's Cultural Heritage by moving the Latino Collection to the 1st Floor.

Councilmember Gonzales asked if there was anything specific that Library Staff could share regarding the Latino Collection. Ramiro Salazar responded that the Latino Collection would provide an opportunity for an assortment of programs to the community that speak to our Culture, Heritage, and Contributions. Councilmember Viagran thanked everyone for their work on the project and expressed her support.

Councilmember Treviño moved to adopt the Ordinance for Item 8. Councilmember Warrick seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

City Clerk Vacek read the caption for Item 10:

2017-02-23-0103

- 10.** An Ordinance for the South Medina Street Extension- Colima to Vera Cruz Project, a Certificates of Obligation funded project, located in Council District 5, authorizing the acquisition, through negotiation, dedication or condemnation, of approximately 0.425 acres for interests in land sufficient for Project purposes in a portion of two parcels of privately-owned real property located in NCB 274; and declaring the South Medina Street Extension- Colima to Vera Cruz Project to be a public use project for the acquisition and authorizing expenditures of \$250,000.00, payable to the selected title company, for land, litigation expenses and associated title fees. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

Councilmember Gonzales moved that the City of San Antonio authorize the use of the power of eminent domain to acquire property for a public use project for the South Medina Street Extension-Colima to Vera Cruz Project by acquiring the following property described by the City Clerk and incorporated as part of this Motion. Councilmember Treviño seconded the motion.

City Clerk Vacek read the property description: The properties consist of right-of-way interest totaling 0.425 acres out of two parcels of real property described as Lot 3, Block 102, New City Block 274, and Lot 1, Block 101, New City Block 237, Real Property Records of Bexar County, Texas. These properties are depicted in the Project Map marked as Exhibit A and more particularly described by metes and bounds in Exhibit B and C attached to the Ordinance and incorporated as part of this Motion.

The motion prevailed by the following vote:

AYE: 9 - Mayor Taylor, Treviño, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 2 - Warrick and Lopez

City Clerk Vacek read the caption for Item 13:

2017-02-23-0106

- 13.** An Ordinance authorizing First Amendment to Antenna License Agreement with Carlos Lopez to extend license through February 28, 2022. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations Department]

Councilmember Saldaña asked of the location of the antenna. John Jacks replied that it was one of nine antennas on the Tower of the Americas. Councilmember Saldaña asked of the revenue. Mr. Jacks replied that the revenue was placed into the General Fund. Councilmember Saldaña stated that he would like to have a discussion about the revenue being placed into a specific fund for HPARC.

Councilmember Gonzales asked of the Tax Increment Reinvestment Zone (TIRZ) Funds. Mrs. Sculley stated that the Tower was not within the TIRZ Area that the City Council approved for the P3 Development Projects. Lori Houston added that the TIRZ was only created for property taxes and that the Tower would not contribute to the TIRZ. Councilmember Gonzales concurred with Councilmember Saldaña regarding the potential redirection of revenue to a designated HPARC Fund.

Councilmember Saldaña moved to approve the Ordinance for Item 13. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 9 - Mayor Taylor, Treviño, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 2 - Warrick and Lopez

City Clerk Vacek read the caption for Item 26:

2017-02-23-0119

- 26.** Public Hearing and Consideration of an Ordinance authorizing a Substantial Amendment to the FY 2017 Annual Action Plan to reprogram up to \$1,923,255.33 in Community Development Block Grant funds and up to \$1,951,351.15 in HOME Investment Partnerships Program funds. [Peter Zanoni, Deputy City Manager; Bridgett White, Director, Planning]

Councilmember Warrick asked for a brief presentation. Bridgett White presented an overview of reprogramming sources and uses for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funds. She reported that staff had identified \$1.9 Million in CDBG Funds as a result of program income, program savings, and cancelled activities. She noted that they proposed the use of \$1.3 Million from FY 2017 Street Maintenance Program (SMP) Funds to fund a deficit resulting from disallowed costs. She indicated that three public infrastructure projects currently funded through the SMP would be funded with CDBG Funds: 1) W. McKinley Avenue (Roosevelt to S. Presa); 2) San Patricio (Nueva Leon to S. Hamilton); and 3) Brandywine Avenue (Maiden Lane to NW 36th Street). She stated that staff also proposed utilizing \$106,000 in supplemental CDBG Funding for the Zarzamora/IH-35 Gateway Project for the design and construction of an artistic gateway feature. Additionally, \$447,131.22 will be allocated for a Detention Pond for Blessed Sacrament Academy to help alleviate flooding issues. She stated that \$1.9 Million in HOME Funds were recommended to be allocated to the following projects: 1) Oak Valley Apartments-\$1.25 Million; 2) Lenwood Heights Phase II-\$140,000; and 3) Owner Occupied Rehabilitation/Reconstruction Program-\$561,351.15.

Mayor Taylor asked of the disallowed costs. Ms. White replied that there were disallowed costs for projects prior to 2012 leaving a deficit of \$1.9 Million. Mayor Taylor expressed concern with the high cost of the 6 homes for the Owner Occupied Rehabilitation Program and stated that she would like to stretch the dollars further. She asked of the status of the vacant Grant Manager Position. Mrs. Sculley replied that they had hired a Manager over the CDBG Programs.

Councilmember Warrick asked of the funding for streets and sidewalks. Ms. White replied that \$1.3 Million would be used for same. Councilmember Warrick asked how staff would avoid having disallowed costs in the future. Ms. White responded that they were monitoring the funds very closely and working with HUD in terms of spending.

Councilmember Gallagher stated that the Housing Council Committee had vetted the projects and was supportive of the reprogramming.

Councilmember Gonzales asked if District 10 qualified as a low-income area. Ms. White replied that the Oak Valley Apartments Project qualified as they were helping low and moderate-income families. Councilmember Gonzales expressed concern with the high cost of the 6 homes in the Owner Occupied Rehabilitation/Reconstruction Program. Ms. White noted that the cost included environmental reviews and lead abatement and that in some instances; demolition of the entire home would occur.

Councilmember Warrick moved to adopt the Ordinance for Item 26. Councilmember

Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

City Clerk Vacek read the captions for Items 28A and 28B:

- 28.** Consideration of the following Resolutions of Support for two multifamily rental housing developments by Franklin Development seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs. [Peter Zanoni, Deputy City Manager; Bridgett White, Director, Planning]

2017-02-23-0010R

- A. Artisan at Old Tezel at Tezel Road and Old Tezel Road, in Council District 6

2017-02-23-0011R

- B. Artisan at Potranco on N. Loop 1604 between Military and Potranco Road, in Council District 4

Bridgett White presented a Power Point noting that staff was requesting Resolutions of Support for two Multifamily Rental Housing Development Projects by Franklin Development seeking competitive 9% Housing Tax Credits (HTC) with the Texas Department of Housing and Community Affairs (TDHCA). She noted that there were two types of HTCs; 4% and 9% and that current year applications for the 9% HTCs were due to TDHCA on March 1st. She indicated that projects could receive 17 points for a Resolution of Support or 14 points for a Resolution of No Objection. She reported that 4 applications were received by Franklin Development 20 days after the close of the City's Application Period. She stated that two projects were recommended for Resolutions of Support to be combined with 4 Resolutions approved on February 9, 2017. Councilmember Gonzales asked of the 9% HTCs. Ms. White replied that the 4% Resolution of No Objection could be requested at any time while the 9% Resolution of Support was only available once a year. Councilmember Gonzales asked if the Artisan Projects had been in the pipeline for a long time. Peter Zanoni replied that "Artisan" was the brand that Franklin Development builds and these were new projects. Councilmember Gonzales asked why the Developer was allowed to submit after the deadline. Ms. White replied that it was discussed at the Housing Council Committee Meeting and there were no funds or City Contract associated with the process.

Councilmember Viagran asked when the applications were submitted by Franklin Development. Ms. White replied that they were due January 4th and submitted on January 24th. Councilmember Viagran stated that although there was no associated funding; she was concerned with setting a precedent for others that miss a deadline. Councilmember Gallagher stated that the Housing Council Committee was very concerned about the Developer missing the deadline but felt the benefit overrode the concern. Mr. Zaroni added that staff had the incorrect email address for Franklin Development and they had not received the notice of the deadline. He noted that this would provide a local builder a better chance to receive the tax credits.

Councilmember Medina concurred with Councilmember Viagran regarding the missed deadline and asked Franklin Development to respond. Ryan Wilson with Franklin Development stated that they understood there was a process in place but had reached out to the neighborhoods to garner their support. Mr. Zaroni confirmed that both projects had received neighborhood support.

Councilmember Saldaña stated that he was also concerned about the process and deadlines but was pleased that they received support from the neighborhoods. He noted that he was supportive of the Affordable Workforce Housing that would be built in areas of great need.

Councilmember Gonzales moved to approve the Resolutions for Items 28A and 28B. Councilmember Gallagher seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Medina, Nirenberg, Krier and Gallagher

ABSENT: 1 - Lopez

29. City Manager's Report

There was no City Manager's Report.

EXECUTIVE SESSION

Mayor Taylor recessed the meeting at 11:57 am to continue the previous day's Executive Session on the following items:

A. Deliberate competitive matters regarding CPS Energy and discuss related legal issues pursuant to Texas Government Code Section 551.086 (competitive matters) and Texas

Government Code Section 551.071 (consultation with attorney).

B. Deliberations regarding economic development negotiations and discuss related legal issues pursuant to Texas Government Code Sections 551.087 (economic development) and 551.071 (consultation with attorney).

C. Deliberate the purchase, exchange, lease or value of real property and discuss related legal issues pursuant to Texas Government Code Sections 551.072 (real property) and 551.071 (consultation with attorney).

D. Discuss legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).

E. Discuss legal issues relating to grant requirements promulgated by the State of Texas pursuant to Texas Government Code Section 551.071 (consultation with attorney).

F. Discuss legal issues related to public safety contracts pursuant to Texas Government Code Section 551.071 (consultation with attorney).

RECONVENED

Mayor Taylor reconvened the meeting at 2:00 pm and announced that no action was taken in Executive Session.

ADJOURNMENT

There being no further discussion, Mayor Taylor adjourned the meeting at 2:00 pm.

APPROVED

IVY R. TAYLOR
MAYOR

ATTEST:

LETICIA M. VACEK, TRMC/CMC/MMC
CITY CLERK